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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/621,408	07/18/2003	John Michael Edison	21348	2820

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EXAMINER

LAFORGIA, CHRISTIAN A

ART UNIT	PAPER NUMBER
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2131

SHORTENED STATUTORY PERIOD OF RESPONSE	MAIL DATE	DELIVERY MODE
3 MONTHS	12/26/2006	PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

If NO period for reply is specified above, the maximum statutory period will apply and will expire 6 MONTHS from the mailing date of this communication.

Office Action Summary	Application No. 10/621,408	Applicant(s) EDISON ET AL.	
	Examiner Christian La Forgia	Art Unit 2131	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 18 July 2003.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-17 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-17 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 18 July 2003 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

1. Claims 1-17 have been presented for examination.

Claim Objections

2. Claim 10 is objected to because of the following informalities: Claim 10 recites "provided at for a fee to the vendor," which is grammatically incorrect. For the sake of examination, claim 10 will be interpreted as "provided for a fee to the vendor."
3. Appropriate correction is required.

Claim Rejections - 35 USC § 112

4. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

5. Claims 2, 6, and 7 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Claims 2, 6, and 7 recite the limitation "the vendor." There is insufficient antecedent basis for this limitation in the claim, and the Examiner will construe "the vendor" to be the "second parties" disclosed in claim 1.

Claim Rejections - 35 USC § 102

6. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless —

(a) the invention was known or used by others in this country, or patented or described in a printed publication in this or a foreign country, before the invention thereof by the applicant for a patent.

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this

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subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

7. Claims 1-4, 8, 11, and 13-15 are rejected under 35 U.S.C. 102(a) and 35 U.S.C. 102(e) as being anticipated by U.S. Patent Application Publication No. 2002/0138417.

8. As per claim 1, Lawrence teaches a transaction involving a disclosure of confidential information by first parties to second parties (paragraph [0014], i.e. financial transaction), requiring the second parties to adopt security measures with respect to the handling of the information and periodically respond to requests of the first parties for assurances of the implementation and observance of the security measures (paragraphs [0002], [0016], [0017]), a method for providing the assurances to the first parties, comprising:

arranging with a selected number of the second parties to acquire, compile and store in a database information regarding the security measures for each of the selected number of second parties (Figures 3 [block 312], 4 [block 410], paragraphs [0031], [0079], i.e. gathers and stores information in a database related to a risk assessment of a party involved in a financial transaction);

arranging with a selected number of the first parties subscription services providing the selected number of first parties with assurances of the security measures of the selected number of second parties upon request (Figures 1 [block 111], 2 [blocks 220, 221], paragraphs [0035], [0037], [0067], i.e. subscriber's request for information); and

providing the assurances of the security measures of the selected number of second parties to the selected number of first parties (Figures 3 [block 319], 4 [block 418], 5 [block 517] paragraph [0013], [0031], [0032], [0088], [0091], [0097], i.e. convey that a financial institution

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complies with government standards relating to risk containment, scrubbed and augmented data is transmitted to a subscriber that relates risk variable involved in a financial transaction).

9. Regarding claims 2 and 13, Lawrence teaches updating the security measures information stored in the database for each vendor periodically (paragraphs [0079, [0094], i.e. ongoing monitoring).

10. Regarding claim 3, Lawrence teaches updating the security measures information stored in the database upon a notification by a respective second party (paragraphs [0031], [0039], i.e. a financial institution can integrate a risk management clearinghouse) and verification by a third party (paragraph [0080], i.e. source of risk variable by other provider of risk management data, such as a government agency).

11. Regarding claims 4 and 11, Lawrence teaches wherein the acquisition, compilation and storage of the security measures information of the selected number of second parties is performed at no cost to the selected number of second parties (Figures 3 [block 312], 4 [block 410], paragraphs [0031], [0079], i.e. gathers and stores information in a database related to a risk assessment of a party involved in a financial transaction). Lawrence makes no mention of a cost, fee or surcharge associated with the accumulation of risk related data anywhere in the patent application.

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12. As per claim 8, Lawrence teaches a method for providing security information on a plurality of vendors to a plurality of clients, comprising:

providing an assessment of security procedures for each of the plurality of vendors (Figures 3 [block 312], 4 [block 410], paragraphs [0031], [0079], i.e. gathers and stores information in a database related to a risk assessment of a party involved in a financial transaction);

storing each assessment in a vendor security database (Figures 1 [block 112], 2 [block 210], paragraphs [0031], [0042], [0043], [0054], [0058], [0060]);

providing access to the vendor security database to each client to allow each client to review the plurality of assessments (Figures 3 [block 319], 4 [block 418], 5 [block 517], paragraphs [0063], [0086], i.e. a subscriber will be able to access the database).

13. Regarding claim 14, Lawrence teaches wherein the assessment is updated whenever the vendor updates its security procedures, the updates are verified and provided to the VMS (paragraphs [0093], [0094], i.e. RMC monitors for and stores updates).

14. Regarding claim 15, Lawrence teaches wherein each assessment comprises one or more of SAS70 reports, Penetration Reports, Information Security Policies, Computer Incident Response Policies, DR Plans, Business Resumption Plans, Insurance Coverages, 3rd Party Vendor Management Policies & Programs and Annual Financial Reports (paragraphs [0003]-[0005], [0008], [0017], [0035], i.e. SAS 70 reports include the suspicious activity reports disclosed in Lawrence).

Claim Rejections - 35 USC § 103

15. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

16. Claims 5-7, 9, 10, 12, 16, and 17 are rejected under 35 U.S.C. 103(a) as being unpatentable over Lawrence in view of U.S. Patent Application Publication No. 2004/0193907 to Patanella, hereinafter Patanella.

17. Regarding claims 5 and 12, Lawrence teaches wherein the access provided to each client is a subscription service (Figures 1 [block 111], 2 [blocks 220, 221], paragraphs [0035], [0037], [0067]).

18. Lawrence does not teach rendering the subscription services for a fee.

19. Patanella discloses a cost-effective method for assessing a network for compliance with a number of regulations, policies, or standards in paragraph [0008]. One of ordinary skill in the art would infer that since there is a cost associated with the method, therefore a fee could be charged to subscribers.

20. It would have been obvious to one of ordinary skill in the art at the time the invention was made to render the subscription services for a fee, since Patanella states at paragraph [0006] that the reporting capabilities of the previous system are immature and require highly technical personnel to analyze and make sense out of the results. Therefore, one of ordinary skill in the art would recognize the need for a subscription fee to pay the technical personnel to translate and present the reports to the users in a clear and concise manner.

21. Regarding claims 6, 7, 16 and 17, Lawrence does not teach providing a rating for each second party based upon a type of the confidential information and the security measures of the vendor.

22. Patanella teaches providing a rating for each second party (Figure 7, paragraph [0017], i.e. low risk, medium risk, high risk, information risk) based upon a type of the confidential information (paragraphs [0069], [0070], i.e. compares to industry average, for example, for financial institutions) and the security measures of the vendor (paragraphs [0017], [0069], [0070], i.e. defining the security levels, such as high risk refers to the system being compromised, that requires immediate attention).

23. It would have been obvious to one of ordinary skill in the art at the time the invention was made to provide a rating based upon confidential information and/or security measures of the vendor, since Patanella states at paragraph [0008] and [0069] that providing a rating allows the user to view the most vulnerable systems in a ranking that is cost-efficient and permits the user to see which systems require the most attention, as well as suggest possible fixes to patch certain vulnerabilities.

24. Regarding claims 9 and 10, Lawrence does not teach wherein the assessment is provided at cost or fee to the vendor.

25. Patanella discloses a cost-effective method for assessing a network for compliance with a number of regulations, policies, or standards in paragraph [0008]. One of ordinary skill in the

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art would infer that since there is a cost associated with the method, therefore some type of cost or fee could be charged to the vendor.

26. It would have been obvious to one of ordinary skill in the art at the time the invention was made to charge the vendor, since Patanella states at paragraph [0006] that the reporting capabilities of the previous system are immature and require highly technical personnel to analyze and make sense out of the results. Therefore, one of ordinary skill in the art would recognize the need for a charge to the vendor to pay the technical personnel to translate and present the reports to the users in a clear and concise manner.

Conclusion

27. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

28. The following patents are cited to further show the state of the art with respect to compliance assessment, such as:

United States Patent Application Publication No. 2003/0004754 to Krutz, which is cited to show evaluating compliance with the Health Insurance Portability and Accountability Act.

United States Patent Application Publication No. 2003/0236742 to Lawrence, which is cited to show managing risk associated with hedge funds.

United States Patent Application Publication No. 2004/0024693 to Lawrence, which is cited to show analysis and quantification of proprietary risk associated with financial institutions.

United States Patent Application Publication No. 2002/0178046 to Lawrence, which is cited to show a risk management clearinghouse to evaluate compliance with financial regulations.

United States Patent Application Publication No.2004/0193918 to Green et al., which is cited to show network vulnerability detection and compliance assessment.

United States Patent Application Publication No. 2004/0128186 to Breslin et al., which is cited to show managing risks associated with outside service providers.

United States Patent No. 2003/0149578 to Wong, which is cited to show evaluating the risks involved in a financial transaction.

29. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Christian La Forgia whose telephone number is (571) 272-3792. The examiner can normally be reached on Monday thru Thursday 7-5.

30. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Ayaz Sheikh can be reached on (571) 272-3795. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

31. Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

Christian LaForgia
Patent Examiner
Art Unit 2131
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A handwritten signature in black ink, appearing to read 'C. LaForgia', with a large, stylized flourish at the end.